8th floor, Vikrikar Bhavan
Mazgaon, Mumbai-400 010.

TRADE CIRCULAR

To

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No.PFT-1095/Adm-7/87/B-1109.
Cir. No.34-T of 1996.   Mumbai, dt.6-11-1996

Subject:- Amendments to the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

Gentlemen/Sir/Madam,

The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 (hereinafter referred to as Profession Tax Act) has been recently amended by Maharashtra Act No.XIX of 1996 which is published in the Maharashtra Government Gazette dated 13-8-1996 and Maharashtra Ordinance No.XII of 1996 dated 4-9-1996.

Maharashtra Act No.XIX of 1996 :

Chapter IV of the said amended Act deals with amendments to the Profession Tax Act as under :-

(1) Amendment to Section 8 :-In sub-section (3), in clause (b) for the figures "30" figures "40" shall be substituted.

By virtue of this amendment, the person who failed to make payment of profession tax on or before 30th June of the year shall be liable to pay an additional lump sum amount for the period of delay at the rate of rupees 40 per month. The increased rate is applicable to the period

(2) Amendment to Section 27-A :

(I) for the Clause (c) the following clause shall be substituted and shall be deemed to have been substituted with effect from 1st April, 1995.

(c) Any person suffering from a permanent physical disability (including blindness), being a permanent physical disability specified in the rules made in this behalf by the State Government, which is certified by a Physician, a Surgeon or an Oculist, as case may be, working in a Government Hospital and which has the effect of reducing considerably such individuals capacity for normal work or engaging in a gainful employment or occupation :

Provided that such individual or as the case may be, employer produces the aforesaid certificate before the prescribed authority in respect of the first assessment year for which he claims deduction under this sub-section :

Provided further that the requirement of producing the certificate from a Physician, a Surgeon or an Oculist, as case may be, working in a Government Hospital shall not apply to an individual who has already produced a certificate before the prescribed authority under the provisions of this sub-section as they stood immediately before the 1st day of April, 1995.

Explanation:-

For the purpose of this sub-section, the expression "Government Hospital" includes a department dispensary whether full time or part time established and run by a Department of Government for medical attendance and treatment of a class or classes of Government Servants and members of their families, a hospital maintained by a local authority and any other hospital with which arrangements have been made by the Government for the treatment of Government Servants;

(Contd...3)

By virtue of this amendment a permanent physical disability is specified under rule 32(1) of the profession Tax Rules, 1975. The person who is suffering from a permanant physical disability is required to produce a medical certificate which has been issued by a Physician, a Surgeon or an Oculist, as case may be, working in a Government Hospital or a hospital maintained by a local authority. If the date of permanent physical disability is prior to 1-4-1995 and such date of disability is specified in the medical certificate then amended provision is applicable w.e.f. 1-4-1995 in such cases. Otherwise the person is exempted from the date of issue of medical certificate only.

As per second proviso of Clause (C) the person who have already produced medical certificate prior to 1-4-1995 as per old provisions of this clause need not to produce a fresh medical certificate in view of amended provisions.

The person who is holding enrolment certificate under section 5(2) is required to produce medical certificate before concerned Profession Tax Officer for claiming exemption under this clause. However in case of salaried employees, the claimant employee is required to produce medical certificate to his/her employer for exemption. Then such employer is required to produce the certificate of his/her employee before Profession Tax Officer for claiming exemption in respect of his/her employee at the time of assessment of that year.

(II) for clause (e), the following clauses shall be substituted and shall be deemed to have been substituted w.e.f. 1st April, 1995.

"(e) Parents or Gurdian of any person who is suffering from mental retardation specified in rules made in this behalf which is certified by Psychiatrist working in a Government Hospital."

(P.T.O.)

By virtue of this amendment, mental retardation of a person is specified under rule 32 (2) of the Profession Tax Rules, 1975. The parents or Gurdian of such mental retarded persons are exempted from the payment of profession tax with effect from 1-4-1995. Therefore, in view to claim exemption under this clause, the claimant person is required to produce medical certificate which is issued by a Paychi-atrist working in a Government Hospital.

Maharashtra Ordinance No. XII of 1996.

Chapter IX of the ordinance deals with amendments to the Profession Tax Act, 1975.

(I) Amendment to Section 27 -A :

(i) "(a-1) person on establishment of Defences Ordinance Factories in any part of the State. "

(ii) "(g) parents or gurdian of a child suffering from a physical disability as specified in Clause (c)."

By virtue of amendment to Section 27 A, the employees who are working in Defence Ordnance Factories in any part of the State are exempted from the payment of profession tax w.e.f. 1st October, 1996. In other words the civilian employees who are working on the establishment of Defence Ordnance Facories situated in any part of the State are need not to pay profession tax from their monthly salary for the month of October 1996 and onward. The scope of amended provision is limited and it is restricted to civilian of Defence Ordnance Factories only. Thus other civilian employees who are working in other establishment of Defence are required to pay profession tax as usual.

(Contd...5)

Exemption to parents or gurdian of mentally retarded child have been provided under the Act, On the same par exemption to the parents or gurdian of a child suffering from a physical disability as specified in Clause (c) of Section 27A is provided by virtue of amendment w.e.f. 1-10-1996. The claimant person has to produce the medical certificate which is issued by a Physician, a Surgeon or an Oculist, as the case may be, working in Government Hospital or a Hospital maintained by Local Authority.

(II) In Schedule I appended to the Profession Tax Act, in Part-I, entry 10(2) has been expanded to cover cable operators. In view of this amendment, cable operators are now liable to pay profession tax from this Financial Year 1996-97 and onwards.

I am to request you to kindly bring the contents of this circular to the notice of the member of your association.

Yours faithfully,

Sd/-

(SURESH SALVI)

Addl. Commissioner of Profession Tax,
Maharashtra State, Mumbai.

(P.T.O.)

क्रमांक एसपीटी १०.०२/प्र.क्र. १०२/कराधान-३, दिनांक २९ मार्च २००३ च्या परिशिष्ट मधील अनुक्रमांक ३ मधील स्तंभ क्रमांक २ मधील '' ३१ मार्च २००३ '' या संख्या आणि शब्दाऐवजी '' ३१ मे २००३ '' असे वाचावे.

महाराष्ट्राचे राज्यपाल यांच्या आदेशानुसार व नावाने,

वि. प्र. कुलकर्णी,
शासनाचे उप सचिव.

FINANCE DEPARTMENT

Mantralaya, Mumbai 400 032, dated the 16th June 2003

CORRIGENDUM

MAHARASHTRA PURCHASE TAX ON SUGER CANE ACT, 1962.

No. SPT. 10.02/CR-102/Taxation-3.—In the *Maharashtra Government Gazette*, Part IV-B, Extraordinary, in the Government Notification, Finance Department, No. SPT. 10.02/CR-102/Taxation-3, dated 29th March 2003, published at pages 369-370, in the column No. 2 of Schedule, Serial No. 3, *for* the figures and word " 31st March 2003 " *read* " 31st May 2003 ".

By order and in the name of the Governor of Maharashtra,

V. P. KULKARNI,
Deputy Secretary to Government.

शासकीय मध्यवर्ती मुद्रणालय, मुंबई

RULE 32 OF THE PROFESSION TAX RULES, 1975 :

32. Permanent Physical disabilities and Mental Retardation for purpose of exemption - (1) Permanent, physical disabilities for the purpose of deduction under clause (c) of section 27A,

(i) Permanent physical disability shall be regarded as a permanent physical disability if it, falls in any one of the categories specified below, namely :-

(a) permanent physical disability of more than 50 per cent in one limb, or

(b) permanent physical disability of more than 60 per cent, in two or more limbs, or

(c) permanent deafness with hearing impairment of 71 decibels and above, or

(d) permanent and total loss of voice,

(ii) blindness shall be regarded as permanent physical disability, if it is incurable and falls in any one of the categories specified below, namely :-

	better eye	All with corrections, Worse eye
(a)	6/60 - 4/60 or Field of vision 110-20	3/60 to Nil
(b)	3/60 to 1/60 or Field of vision to Nil	F.C at 1 foot to Nil.
(c)	F.C at 1 foot to Nil or Field of vision 100	F.C. at 1 foot to Nil. or Field of Vision 100.
(d)	Total absence of sight	Total absence of sight.

(2) Mental retardation of the purpose of deduction under Clause (e) of section 27A.

Mental retardation shall be regarded as Mental retardation if intelligence Quotient is less than 50 on a test with a mean of 100 and a standard deviation of 15 such as the Wechsle scale.